

San Francisco Bay Conservation and Development Commission

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TO: Commissioners and Alternates

FROM: Lawrence J. Goldzband, Executive Director (415/352-3653; larry.goldzband@bcdc.ca.gov)
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SUBJECT: Staff Report and Recommendation to Approve a Contract with the California State Department of General Services to Perform Budget Analysis and Services
(For Commission consideration on June 15, 2017)

Staff Recommendation

The staff recommends that the Commission approve a contract with the Office of Fiscal Services (OFS) of the California State Department of General Services (DGS) for \$39,000 during Fiscal Year 2017-2018 in exchange for full-scale budget analysis and support for BCDC. OFS offers state agencies complete accounting, budgeting, and financial services; BCDC requires only the budgeting services. Under the contract, OFS will fulfill all Department of Finance (DoF) budget analysis and preparation requirements, and will provide BCDC with monthly budget reports to enable Commission staff to track and manage all aspects of the BCDC budget. In addition to recommending that the Commission approve the contract with DGS, the staff also recommends that the Commission authorize the Executive Director to: (1) amend the contract as long as the amendment does not involve substantial changes in scope or exceed 10% of the total amount of the contract; and, (2) enter into similar contracts in the future, subject to availability of funds, given that the Commission has an ongoing need for budget support services.

Staff Report

Background. BCDC has worked during this fiscal year with the Department of General Services to ensure that all financial reports and/or deadlines from the Department of Finance and the State Controller Office (SCO) are met. BCDC was fortunate to muddle through the 2016-2017 Fiscal Year without a budget officer because BCDC recognized that the Commission had necessary cash on hand to avoid a deficiency and, more important, because DoF staff performed all the technical budget drills and Governor's Budget preparation exercises during the fiscal year on BCDC's behalf. Thankfully, BCDC was able to hire a new Chief Budget Officer in May 2017.

BCDC's lack of technical budget expertise required to fulfill the State's budgetary responsibilities convinced both BCDC and DoF that the two agencies needed to put into place a new budget building and tracking system. After discussions with DoF in late summer 2016, it became clear that the only option available to BCDC and DoF was for BCDC to contract with OFS to fulfill all of DoF's and SCO's requirements. Given the press of the budget process, the Executive Director decided to execute the contract with OFS on September 12, 2016, in great part to avoid DoF simply "flat lining" BCDC's budget for the upcoming fiscal year, and requested Commission approval for the contract after the fact.

This year, staff recommends in a timely manner that the Commission: (1) approve a contract with the Office of Fiscal Services (OFS) of the California State Department of General Services (DGS) for \$39,000 during Fiscal Year 2017-2018 in exchange for full-scale budget analysis and support for BCDC; (2) allow the Executive Director to amend the contract as long as the amendment does not involve substantial changes in scope or exceed 10% of the total amount of the contract; and (3) enter into similar contracts in the future, subject to availability of funds, given that the Commission has an ongoing need for budget support services.